



BOND PROGRAM REVIEW REPORT

POLICY ISSUE/SITUATION

In May 2014, voters approved a capital bond program for the students of the Beaverton School District. A bond program review has been conducted with a report being provided to the Board.

BACKGROUND INFORMATION

Cornerstone Management Group, Inc. was selected to conduct a review of the systems, business practices and communications being utilized on the current projects. Their focus was on budgets, cause of the budget increases, cost control plan and the construction schedule for the new high school. Cornerstone Management Group has completed this work and is submitting the attached report for review.

RECOMMENDATION

It is recommended that the Beaverton School District Board of Directors receive the Bond Program Review Report and provide comments and guidance to the Superintendent and staff.

District Goal: WE empower all students to achieve post-high school success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.



Cornerstone
Management Group, Inc.

9/19/2016

Beaverton School District
16550 SW Merlo Road
Beaverton, OR. 97033

ATT: Mr. Don Grotting
Superintendent

RE: Review of Capital Improvement Program

Beaverton School District (BSD) hired Cornerstone Management Group Inc. (CMGI) on 7/15/2016 to review the systems, business practices and communications being utilized on the current projects. Our focus was on budgets, cause of budget increases, cost control plan and the construction schedule for the new high school.

1.0 Our Process

- 1.1 Interviewed BSD staff working on the Capital Improvement Program (CIP)
- 1.2 Reviewed reports, schedules, situation sheets and other documents provided by BSD.
- 1.3 Attended project coordination meetings with the Project Team working on the new high school project.
- 1.4 Attended a Bond Citizen Accountability Committee (BCAC) meeting.
- 1.5 Discussed project issues with Firms working on the CIP.
- 1.6 Discussed current and past issues with a representative of the City of Beaverton.
- 1.7 Provided updates to BSD staff.

2.0 Our Findings

- 2.1 BSD is committed to producing quality documents and construction projects.
- 2.2 BSD developed and is obtaining benefits from the Technical Design, Security and Education Standards prepared by staff.
- 2.3 BSD staff prepared and distributed Situation Sheets that described budget modifications.
- 2.4 BSD is committed to providing updates to the BCAC.
- 2.5 BSD made Contractor selections, which have and are continuing to impact project quality, costs and schedules.
- 2.6 BSD prepared an aggressive and manageable CIP Schedule.
- 2.7 BSD is committed to engaging the many stakeholders impacted by the CIP.
- 2.8 BSD has committed to construct areas for immediate occupancy by the community.



Cornerstone
Management Group, Inc.

- 2.9 The project team working on the new high school project continues to overcome issues that have impacted the schedule and budget.
- 2.10 Improvements in communication, cost control and the relationship with the City of Beaverton should be considered.

3.0 Challenges BSD has encountered

- 3.1 Inflation that has impacted construction cost in Oregon.
- 3.2 Cost and schedule impacts from Land Use and Construction Permit Applications.

4.0 Recommendations

- 4.1 Develop and implement a plan to improve the relationship with staff at the City of Beaverton.
- 4.2 Consider options to improve budget management.
- 4.3 Confirm the completion date or dates and move in plan for the new high school.
- 4.4 Discuss and implement plans to improve communication regarding the CIP.
- 4.5 Continue the value of clarifying and utilizing the Lessons Learned Process.

Thank you for this opportunity to assist BSD in your commitment to Excellence, Innovation, Equity and Collaboration. Let me know if we can provide you and your Team any additional services.

Sincerely,

Rick Rainone
President